

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 806 - SB 1475

March 4, 2023

SUMMARY OF BILL: Broadens the legislative intent under the *Racketeer Influenced and Corrupt Organization (RICO) Act of 1989* to include prosecuting conduct that illegally furthers the interest of the criminal organization. Lengthens the time that can elapse between incidents of racketeering conduct from two years to eight years. Redefines and expands the list of offenses included in “racketeering activity”.

Enhances the penalty for RICO violations, from a Class B felony to a Class A felony, if the conviction is based upon a pattern of racketeering activity that involved a homicide.

FISCAL IMPACT:

Other Fiscal Impact – Passage of the proposed legislation will result in an increase in state incarceration expenditures for Racketeer Influenced and Corrupt Organization violations; however, the precise timing and impact is dependent on multiple unknown factors and cannot be determined with reasonable certainty.

Assumptions:

- Racketeering activity means to commit, to attempt to commit, to conspire to commit, or to solicit, coerce, or intimidate another person to commit an act for financial gain that is a criminal offense:
 - Involving controlled substances in certain amounts;
 - Involving aggravated sexual exploitation of a minor;
 - Especially aggravated sexual exploitation of a minor under Tenn. Code Ann. 39-17-1004(b)(1)(A) and 39-17-1005(a)(1)l; or
 - To commit, attempt to commit, conspire to commit, or to solicit, coerce, or intimidate another person to commit a criminal gang offense.
- The proposed legislation changes the definition of racketeering activity to mean to commit, attempt to commit, conspire to commit, or to aid, attempt to aid, solicit, coerce, facilitate, or intimidate another person to commit one of 69 criminal offenses.
- Passage of the proposed legislation will result in an increase in state incarceration expenditures for RICO violations.
- Pursuant to Tenn. Code Ann. § 39-12-205(a), RICO is a Class B felony offense. The penalty is enhanced to a Class A felony offense, pursuant to the proposed legislation, if the conviction is based upon a pattern of racketeering activity that involved a homicide.

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- The precise timing and impact resulting from expanding the list of offenses included in racketeering activity, and enhancing the penalty for convictions based upon racketeering activity that involved a homicide, are dependent on multiple unknown factors and cannot be determined with reasonable certainty.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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